Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

19 June 1958

25X1

Copy No. 140

CENTRAL INTELLIGENCE BULLETIN

DOCUMENT NO. 43
NO CHANGE IN CLASS.
DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH: HR 70-2
DATE: 9-26-82 REVIEWER:

25X1

25X1

State Dept. review completed

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Next 1 Page(s) In Document Exempt

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

CENTRAL INTELLIGENCE BULLETIN

25X1

19 June 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

Poland: Polish officials are preparing the way for an approach to the US for further economic aid. Despite Khrushchev's public criticism of Socialist countries accepting capitalist aid, Polish foreign trade officials state there has been no change in their instructions on this score and that Gomulka has reiterated the importance of closer economic relations with the United States. (Page 1)

25X1

25X1

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1
25X1
Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

II. ASIA-AFRICA

Lebanon: Although there have been no major political or military changes, the situation remains at a critical phase. The rebels have added psychological warfare to their tactics and are urging army soldiers to desert. 25X1

25X1

*Cyprus: Intensive efforts are continuing in an attempt to reach agreement on further negotiations under the sponsorship of the North Atlantic Council. The Turks are apparently thinking in terms of a tripartite conference, a suggestion the Greeks have consistently opposed. Cyprus continues to be generally quiet. Regardless of the direction of developments, it appears doubtful that Ankara would resort to hostilities. 25X1

No

25X1

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

III. THE WEST

France: De Gaulle is putting the army in complete control of Algeria because he evidently believes it to be more moderate than the civilian elements of the Committee of Public Safety. Once the army's position in Algeria is assured, he plans to proceed with elections which he hopes will produce representatives with whom he can negotiate an Algerian settlement.

25X1

Guatemala: Communist activity is greater now than at any time since the Arbenz regime was overthrown four years ago. The party's confidence is indicated by the fact that it is recalling exiled members. President Ydigoras, thus far hesitant and indecisive, may be preparing to move against the Communists. However, he apparently feels his position is threatened more by plotting by rightist ex-officers.

25X1

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

I. THE COMMUNIST BLOC

Poland Indicates Desire for Additional American Economic Aid

Polish officials, in conversations with Americans in Poland, are raising the subject of additional US credits, particularly funds for the purchase of American machinery, even though the $193,000,000 in aid already granted by the US has not been completely used.

In order to prepare the way for a new bid for US credits, the Poles apparently feel it necessary to counter Khrushchev's recent criticism of free world aid. The Polish press points out that Poland's experience proves that such aid between countries with different political systems is mutually advantageous, and Gomulka is reported to have reiterated the importance of maintaining close economic relations with the US.

US aid to Poland has played a part in permitting the Gomulka regime to curtail the unpopular system of compulsory deliveries of farm produce and to maintain the grain supply, thereby curbing price increases. The 400,000 tons of American grain to be delivered during 1958 will also aid in the establishment of a grain reserve which may permit the total abolition of these compulsory deliveries.

In their recent talks with American officials, the Poles have noted that they still encounter difficulties in making purchases and sales in the United States. It is possible that Poland will seek to establish commercial agents in this country as part of "an important plan" for trade with the US which, [redacted] 25X1
25X1 [redacted] the Polish deputy minister of foreign trade said 25X1
was being prepared. [redacted]

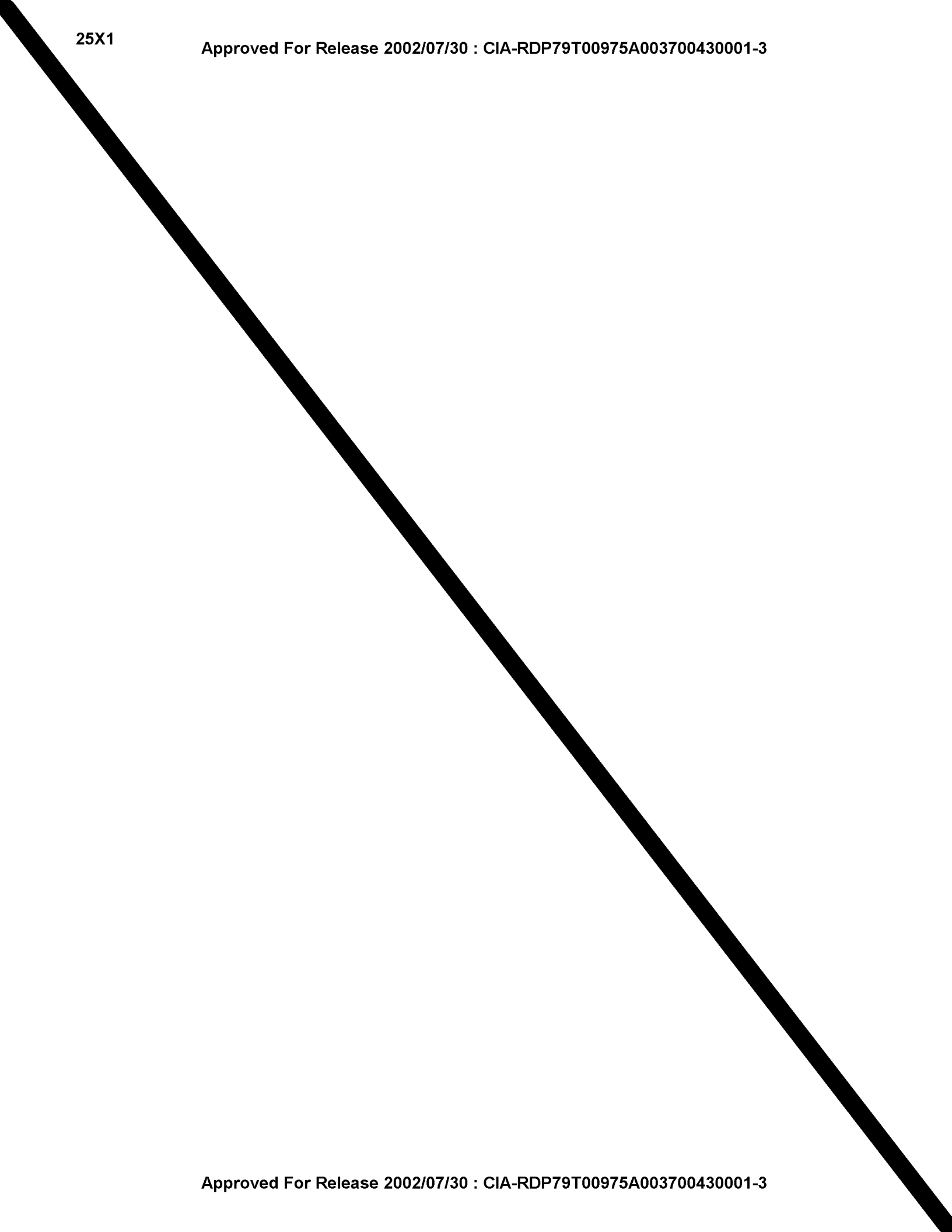
25X1 [redacted]

[redacted] 25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

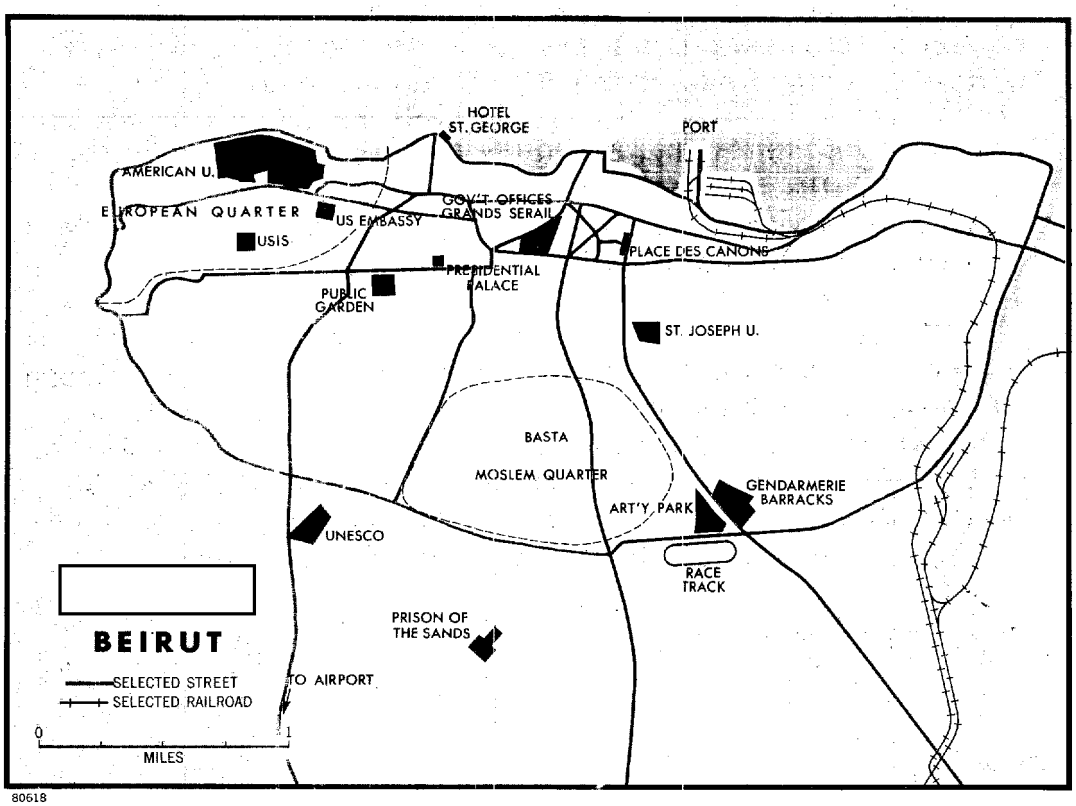
25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3



Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3



25X1

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

II. ASIA-AFRICA

Situation in Lebanon

Other than a rebel attack on a women's prison which resulted in a seesaw battle between progovernment Christian forces and Moslem rebels, no unusual military activity occurred in Beirut on 18 June. In the countryside, government forces have advanced in the Bayt ad-Din area against Kamal Jumblatt's Druz forces. An army convoy was attacked in the Biqa Valley and forced to withdraw toward the Riyaq air base.

Many UAR fedayeen are said to have secretly arrived on the outskirts of Beirut and plan to attack the Prison of the Sands in an attempt to release the prisoners, hoping they will join the rebel forces. Reinforcements from Syria were reported on their way to join Jumblatt's forces on 18 June. Claims by the opposition that it is securing information of army movements from informants in the army may be true, since the army contains many individuals who are antigovernment.

The increased activity of Christian pro-Chamoun partisans in Beirut is lending a religious coloring to the struggle. The Christian quarters are being patrolled by armed men ready to repel rebel incursions. The rebels have begun a psychological warfare campaign, urging Lebanese soldiers to desert to their side. Radio Damascus has assisted in this campaign by broadcasting an alleged appeal by the Lebanese opposition to members of the armed forces to "direct their weapons" against the Chamoun government.

In the political realm, the situation remains critical and stalemated. Nuri Said informed the American ambassador on 16 June that the Arab Union would publicly support further recourse by Lebanon to the UN or a request for Western military assistance.

Opposition leaders have admitted in private that they no longer control rebel activities and claim that if they were to

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

speak out against any aspects of the opposition program now they would be assassinated, [redacted] 25X1

25X1 [redacted] This may explain the rather bombastic statements made by opposition leaders regarding the UN observation group and armed resistance to any proposed international police force in Lebanon. [redacted] 25X1

[redacted] 25X1

[redacted] 25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

Cyprus

Intensive diplomatic activity continues in Athens, Ankara, and other NATO capitals on the eve of the expected 19 June public announcement of the new British proposals for Cyprus. The North Atlantic Council, which is trying to induce the disputants to begin negotiations, is scheduled to meet on the same day.

Turkey has already rejected the new British plan but appears ready to join in tripartite negotiations regarding the future of Cyprus. Greece's reaction is not yet clearly defined; Athens appears unwilling to accept the proposals without drastic revision and would probably be reluctant to join in a tripartite conference which included Turkey.

The arrival in Athens on 18 June of the Greek Cypriot mayors of the six major cities on Cyprus to confer with Archbishop Makarios has led to speculation that Makarios may be willing to accept at least part of the British proposals. The mayor of Nicosia and the abbot of Kykko, both close associates of Makarios, are said to have recommended that he not reject the proposals out of hand but eliminate objectionable parts by subsequent negotiations with the British.

Acceptance of the proposals by Makarios, at least for the purpose of further negotiations, would relieve the tremendous public pressure on the Greek Government to reject the British plan. It would also restrain EOKA from launching new attacks and would probably result in the British permitting Makarios to return to Cyprus. Makarios' final decision may be influenced largely by realization that rejection of the proposals probably would make civil war on Cyprus inevitable.

25X1

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Next 4 Page(s) In Document Exempt

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

III. THE WEST

De Gaulle's Intentions Regarding Algeria

De Gaulle's aim in moving to put the army in complete control in Algeria stems from his belief that the army is more moderate and tractable than the civilian elements of the All-Algeria Committee of Public Safety, according to views expressed by De Gaulle to the French ambassador to Morocco. A US Embassy appraisal of the army's attitude immediately prior to De Gaulle's investiture indicated that while the army was completely identified with the concept of keeping Algeria French, its sympathies, with few exceptions, did not lie with the "ultras" and that it was entirely possible the army would support a plan providing a graceful exit from the Algerian war.

At the time of De Gaulle's 4-6 June Algerian visit he felt it necessary to appear somewhat accommodating to the civilian elements, but once the army's position in Algeria is assured, he intends to proceed with elections. He hopes the elections will produce representatives with whom he can negotiate a definite Algerian settlement.

General Salan was officially installed as delegate general for Algeria on 17 June. The de facto military administration since 13 May is now being formalized with the appointment of army corps and divisional commanders--including paratrooper General Massu--as regional and departmental prefects. Civilian superprefect Baret, fired by the Pflimlin government for siding with the insurgents, is being absorbed in the delegation general under Salan.

Minister of State Guy Mollet told American officials in Paris on 14 June that Algeria will probably not be an integral part of France as sought by the "ultras," but will be tied to France in some sort of a federal relationship which recognized Algerian "origins and individuality."

25X1

25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

25X1

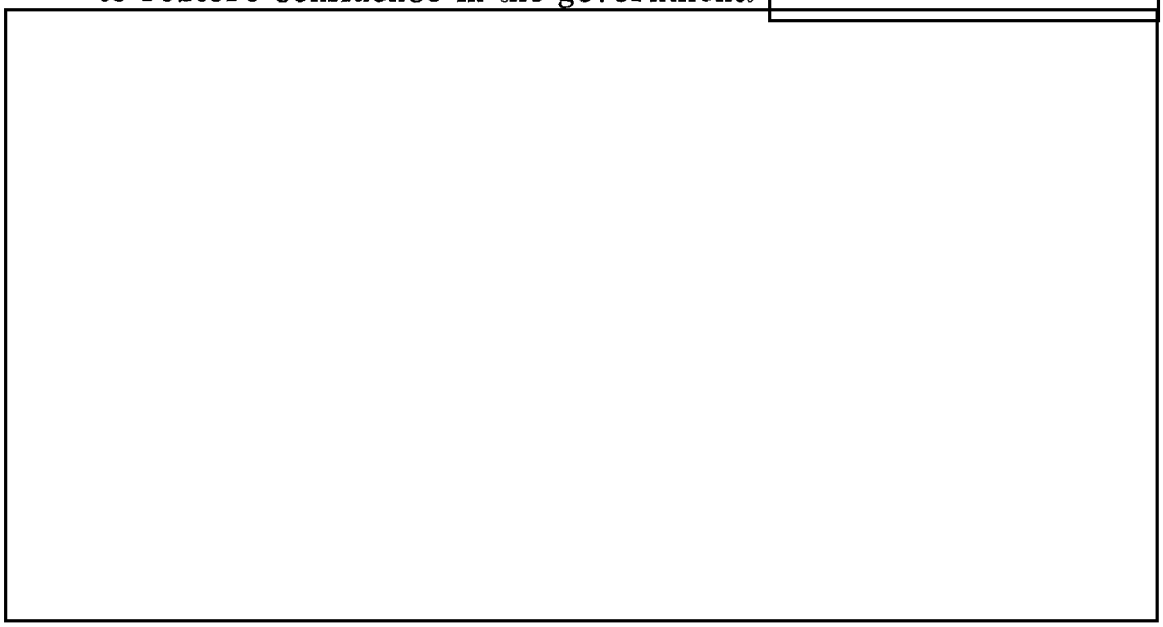
Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3

Communist Influence Rising in Guatemala

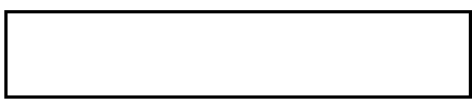
The Communists in Guatemala have increased their following considerably since the assassination of Castillo Armas last July and are more active than they have been at any time since the Arbenz regime was overthrown four years ago. After three months of the complacent Ydigoras regime, they have gained sufficient confidence to instruct most party members still in exile to return to Guatemala by 30 July. Disillusionment with the President is increasing among anti-Communist Guatemalans, who had expected him resolutely to curtail the Communists and provide strong national leadership, and there are unverified reports of rightist plots against the government.

Ydigoras may be beginning to realize that he must quickly take some decisive action to strengthen his position and to restore confidence in the government.

25X1



25X1



25X1

Approved For Release 2002/07/30 : CIA-RDP79T00975A003700430001-3